### SUPERIOR COURT FOR THE DISTRICT OF COLUMBIA Civil Division

DISTRICT OF COLUMBIA, Department of Insurance, Securities and Banking,

Petitioner,

v.

D.C. CHARTERED HEALTH PLAN, INC.,

Respondent.

Civil Action No. 2012 CA 008227 2 Judge Melvin R. Wright Calendar 15 Next Event: Status Hearing July 15, 2014 at 9:30 a.m.

# PETITION FOR APPROVAL OF PAYMENT FOR THIRD SET OF PROVIDER CLAIM APPEALS

D.C. Chartered Health Plan, Inc., acting through its Rehabilitator, Special Deputy to the Rehabilitator and their attorneys ("Chartered"), respectfully petitions this Court to enter the requested Order approving payment of \$1,682.44, to ensure equitable treatment of all provider claims, as described further below.

By order dated August 22, 2013, the Court approved the Settlement Agreement Between Chartered and the District of Columbia (the "Settlement"). In accord with that agreement, the Special Deputy calculated that each provider should be paid 83.87% of its total claim, which percentage reflects each provider's *pro rata* share of the \$48 million settlement based on the \$57.22 million in total claims owed as of September 9, 2013 (the "*Pro Rata* Calculation Date"). *See* Special Deputy to the Rehabilitator's Seventh Status Report, at 5 (Sept. 23, 2013). The Special Deputy subsequently processed and approved \$1,111,024 in claims and claim appeals and received the Court's approval to pay 83.87% of those claims from estate assets in December 2013. The Special Deputy processed an additional \$158,270.90 in claim appeals in the first quarter of 2014, for which the Court approved an 83.87% *pro rata* payment in April 2014.

Recently, the Special Deputy completed the review of claim appeals involving Beacon and its providers, and approved them in the amount of \$1,738.00. In addition, the Special Deputy determined that a higher reimbursement rate applied for services performed in New York for a member in school there, and thus approved the appeal for \$268.17. All of the claims appealed were submitted prior to the August 31, 2013 claim bar date, denied in whole or in part by the Rehabilitator, appealed by the provider and then approved in whole or in part by the Rehabilitator after the *Pro Rata* Calculation Date. These claim appeals would have been included in the DHCF settlement distribution but for the time it took for an appeal to be filed and the time for review and processing the appeals. To ensure that all Priority Class 3 claimants are treated equally, the Special Deputy seeks the Court's approval to pay these provider claim appeals the same *pro rata* share paid for other provider claims as part of the Settlement payment program, namely \$1,682.44 (i.e., 83.87% of \$1,738.00 + \$268.17).

WHEREFORE, Chartered petitions this Court to enter the requested Order approving the payment of \$1,682.44 for the 83.87% *pro rata* share of provider claim appeals approved in 2014 after the *Pro Rata* Calculation Date.

Date: May 20, 2014 By: <u>/s/ Richard E. Hagerty</u>

Richard E. Hagerty
Troutman Sanders LLP
Bar Number 411858
1850 Towers Crescent Plaza, Suite 500
Tysons Corner, VA 22182
(703) 734-4326
(703) 448-6520 (facsimile)
richard.hagerty@troutmansanders.com

By: /s/ David K. Herzog
David K. Herzog (admitted pro hac vice)
Faegre Baker Daniels LLP
300 N. Meridian Street, Suite 2700
Indianapolis, Indiana 46204
(317) 237-1240
David.Herzog@faegrebd.com

# Attorneys for the Rehabilitator and the Special Deputy to the Rehabilitator

#### **CERTIFICATE OF SERVICE**

I hereby certify that on this 20<sup>th</sup> day of May, 2014, a copy of the foregoing *Petition for*Approval of Payment for Third Set of Provider Claim Appeals, and proposed order, was filed and served by email upon:

Chester A. McPherson, Rehabilitator c/o Stephanie Schmelz
DISB, Office of the General Counsel 810 First St., NE, Suite 701
Washington, D. C. 20002
Stephanie.Schmelz@dc.gov

Stephane J. Latour
E. Louise R. Phillips
Assistant Attorneys General
441 Fourth Street, N.W., 630 South
Washington, D.C. 20001
Louise.Phillips@dc.gov
Stephane.Latour@dc.gov

Daniel Watkins Special Deputy Rehabilitator 1050 K Street NW, Suite 400 Washington, DC 20001 danwatkins@sunflower.com

Charles T. Richardson Faegre Baker Daniels LLP 1050 K Street NW, Suite 400 Washington, DC 20001 crichardson@faegredb.com

/s/ Richard E. Hagerty
Richard E. Hagerty

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#### **Civil Division**

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Next Scheduled Event: Status Hearing

July 15, 2014, at 9:30 a.m.

## [PROPOSED] ORDER APPROVING PAYMENT FOR THIRD SET OF PROVIDER APPEALS

On May 20, 2014, D.C. Chartered Health Plan, Inc., acting through its Rehabilitator, Special Deputy to the Rehabilitator and their attorneys ("Chartered"), filed a *Petition for Approval of Payment for Third Set of Provider Claim Appeals*. The Petition asked the Court to enter an order approving the payment of undisputed provider claim appeals in the same 83.87% *pro rata* ratio as for all other provider claims.

Upon consideration of the Petition and the entire record herein, it is this \_\_\_\_ day of May, 2014.

- 1. ORDERED: That the payment of \$\$1,682.44 for the 83.87% *pro rata* share of provider claim appeals is approved; and
- 2. This is entered as a final Order.

Melvin R. Wright
Judge, D.C. Superior Court

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#### Copies to:

Richard E. Hagerty
Troutman Sanders LLP
1850 Towers Crescent Plaza, Suite 500
Tysons Corner, VA 22182
richard.hargerty@troutmansanders.com

David K. Herzog (admitted *pro hac vice*) Faegre Baker Daniels LLP 300 N. Meridian Street, Suite 2700 Indianapolis, Indiana 46204 David.Herzog@faegrebd.com

Chester A. McPherson, Rehabilitator c/o Stephanie Schmelz
DISB, Office of the General Counsel 810 First St., NE, Suite 701
Washington, D. C. 20002
Stephanie.Schmelz@dc.gov

Daniel Watkins Special Deputy Rehabilitator c/o Faegre Baker Daniels LLP 1050 K Street NW, Suite 400 Washington, DC 20001 danwatkins@sunflower.com

Charles T. Richardson Faegre Baker Daniels LLP 1050 K Street NW, Suite 400 Washington, DC 20001 crichardson@faegredb.com

Stephane J. Latour
E. Louise R. Phillips
Assistant Attorney Generals
441 Fourth Street, NW, 630 South
Washington, D.C. 20001
Louise.Phillips@dc.gov
Stephane.Latour@dc.gov